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During the crafting of this legislation in the Senate, we recognized that we had an opportunity to do more than simply open the telecommunications markets to competition -- we also had an opportunity to prepare our children and grandchildren for the future. One of the most important aspects of the information superhighway is its potential to transmit information across traditional boundaries of time and space. This has dramatically changed the way American school children learn and its influence will only increase in the future. As a result, telecommunications can help us provide a world class education to children across America.

We fought to ensure that Section 254(h) remained in the 1996 Act, because it is imperative that the on-ramps to the information superhighway be accessible to all Americans. We cannot tolerate an educational system in the United States that "bypasses" Americans along economic or rural-urban boundaries. Indeed, on June 8, 1995, the United States Senate overwhelmingly endorsed Section 254(h) by a recorded vote of 98 to 1.

Technologically, the world around us is moving swiftly into the 21st century. Our schools, unfortunately, are not. In many areas -- both rural and urban -- they in effect continue to operate in the 19th century, unable to access and utilize the benefits of modern technology. And while technology is certainly no panacea for the problems we face in public education, it can be a useful tool in educational reform and student performance.

We have read the reports of remarkable progress made when the computer serves the curricula-based needs of teachers and students. And, we have seen how individualized study, coupled with the power of collaboration unlimited by time or distance, can hold a student's attention. We designed this important provision to give children in Harvard and Cambridge, Nebraska, opportunities to use telecommunications technologies to learn from libraries and scholars at Harvard and Cambridge Universities by taking long distance, adding value, and transforming it -- via distance learning networks -- into "strong" distance.

Through Internet access, classroom networking, and distance learning, we can lead America's students on an educational journey that will take them around the globe into the world's finest museums, its cutting-edge laboratories, and most prestigious institutions of learning. The journey made possible by the revolution in information technology will enable students to do all these things from classrooms and living rooms. The skills they can acquire through technologically-enhanced learning will help them secure meaningful employment and become informed citizens in a democratic society.

More than a third of all U.S. schools, however, cite *costly telecommunications rates* as the primary barrier to maximizing the use of their telecommunications capabilities. Some schools not only have minimal service, but pay the highest rates in their community. The cost of connectivity and the difficulty these relatively small customers have when requesting service is almost universal.

In addition, rural schools and libraries usually pay more for access to information services than schools and libraries in urban areas, because the information service providers do not have access points in local calling regions, meaning that rural schools and libraries must make a long distance telephone call to access the Internet and other information services.

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Thus, as the Commission and the Federal-State Joint Board craft recommendations for the types of services that will be available to K-12 schools and libraries under the universal service system, we encourage you to focus on the particular needs of our children as we enter the 21st Century. A wide variety of services will become commonplace in the workplace of tomorrow, much as the fax and desktop computer have become commonplace today. Therefore, the broader your vision -- the better prepared the students of tomorrow can be.

In addition, because of the specific needs of rural areas, we encourage you to fulfill the requirements of the 1996 Act -- and one of its principal underlying goals -- in a manner that ensures we do not create a nation of technological "haves" and "have nots" based on economic or rural-urban boundaries. Not every school may want precisely the same services, but as with the intent of the Snowe-Rockefeller-Exon-Kerrey provision, the goal is *affordable access*. We should not let a two-tiered education system develop in which wealthier school districts train students on advanced telecommunications technologies, but rural areas and poorer school districts are left out.

For this reason, we believe that it is vital for the Commission and the Federal-State Joint Board to carefully review the special challenges and needs of rural schools and libraries and take action to ensure that the discount provided makes access for these community users truly affordable. To fulfill the intent of the law, every school and library submitting a bona fide request deserves a significant, real, and meaningful discount that ensures classrooms and libraries access to the information superhighway. It is also essential that definitions of "special" services and advanced services be allowed to evolve to include changes and improvements in technology.

Health Care Providers

Turning to the telemedicine portion of the Snowe-Rockefeller-Exon-Kerrey provision, we believe it would be helpful to review telemedicine efforts that are currently in operation to establish comparable rates for rural areas. But while the review is underway, and the Commission works on its proposed rulemaking, there is no reason to delay the implementation of the benefits of the health care provisions of Section 254(h) in obvious instances.

While the basic start-up costs for acquiring telemedicine technology are coming down, transmission costs remain unaffordable for many health care providers. According to the Federal Office of Rural Health Policy, telecommunications transmission prices based on distance are a significant financial barriers to telemedicine in rural areas.

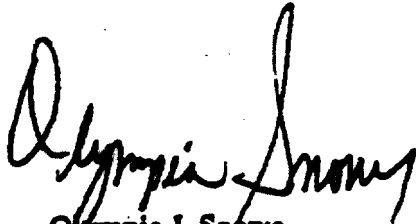
Just one example, a small rural hospital in West Virginia, reported that the estimated charge for a T1 line to allow it to hook up with a larger hospital was an unaffordable \$4300 a month. The cost of transmission must be lowered if telemedicine is to become economically feasible for many rural communities.

Where it is in use, telemedicine is an expanding, important part of healthcare in rural America. It means that a paramedic at the scene of an auto accident will be able to send video and medical data straight to physicians and receive recommendations from those physicians within minutes. A family practitioner in a small town in West Virginia, Maine, Nebraska or any state will be able to consult with a specialist at a regional hospital instantly. This will save the patient an extended, costly, lengthy, perhaps painful trip to the specialist.

Telemedicine has enormous promise to expand access and quality health care to rural areas if telecommunications costs become affordable, as promised in the Snowe-Rockefeller-Exon-Kerrey provisions of the 1996 Act that were signed into law.

Conclusion

Implementation of the Snowe-Rockefeller-Exon-Kerrey amendment to the 1996 Act will require creative efforts and consistent oversight to ensure that the provisions and discounts meet the needs of American classrooms, libraries and rural health care providers. As the Commission and the Federal-State Joint Board implement this bold new law to overhaul our nation's universal service system, we urge you to implement Section 254(h) in a broad, comprehensive and flexible manner, and look forward to working with you to make our dream in drafting this legislation become a reality.

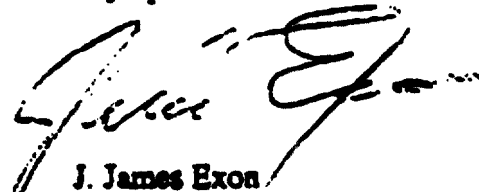


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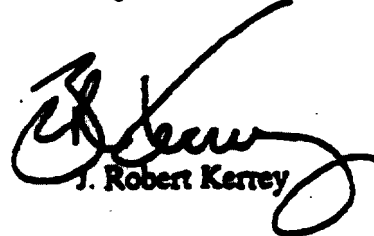
Sincerely,



John D. Rockefeller IV



J. James Exon



J. Robert Kerrey

cc: The Honorable James Quallo
The Honorable Susan Ness
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The Honorable Kenneth McClure
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